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FEDERAL COMMUNICATIONS COMMISSION

Washington, D. C. 20554

SEP 21 2012

OFFICE OF
MANAGING DIRECTOR

**BY ELECTRONIC MAIL (sadri.altinok@signal-telecom.com) AND
FIRST CLASS MAIL**

Sardi Altinok, President
Signal Telecommunication, Inc.
274 East Center Street
Wind Gap, PA 18091

Re: Waiver Request (Late Payment Penalties;
47 C.F.R. § 1.1164)
Licensee/Applicant: Signal Telecommunications,
Inc.

Station: N/A

Fee: FY 2010 and FY 2011 Regulatory Fees and
Late Fees

Date Request Filed: Mar. 21, 2012

Date Regulatory Fees: Not Paid

Date Regulatory Late Penalties: Not Paid

Fee Control No.: RROG-11-00014187

Regulatory Fee (FY 2011): \$ 7,992.00

Penalty (25%): \$ 1,998.00

Interest (1%): \$ 102.90

Penalty (6%): \$ 617.39

Collection Fee: \$ 50.00

Regulatory Fee

Balance (FY 2010): \$ 71.00

Penalty (25%): \$ 17.75

Interest (1%): \$ 1.84

Penalty (6%): \$ 11.04

Collection Fee: \$ 50.00

Total: \$ 10,911.92

Dear Mr. Altinok:

This responds to Licensee's *Request*¹ for waiver of the penalties for late payment of FY 2010² and FY 2011 regulatory fees. Our records show that Licensee underpaid the FY 2010

¹ Email from Sadri Altinok (sadri.altinok@signal-telecom.com) to ARINQUIRIES (ARINQUIRIES@fcc.gov) (dated Mar. 21, 2012)(*Request*).

² Our records show that Signal Telecommunications, Inc. underpaid its FY 2010 regulatory fee resulting in the itemized balance and accrued charges.

regulatory fee and failed to pay any portion of the FY 2011 regulatory fee. Accordingly, as required by the law,³ we dismiss the *Request* and assess a penalty equal to 25% of the unpaid amount.⁴ Furthermore, because the unpaid fee is a delinquent debt, we are required to assess the administrative costs of collection, interest, and penalties.⁵ Finally, under section 1.1910 of our rules,⁶ until all debts are paid or other satisfactory arrangements are made for payment, we are required to withhold action on any application filed by Licensee.

We have dismissed the *Request*; however, for the reasons stated, herein, we would nonetheless deny it even if Licensee paid the fees and requested a refund.

Under 47 U.S.C. § 159 and the Commission's implementing rules, we are required to "assess and collect regulatory fees" to recover the costs of the Commission's regulatory activities,⁷ and when the required payment is received late or it is incomplete, to assess a penalty equal to "25 percent of the amount of the fee which was not paid in a timely manner."⁸ Specifically, "[a]ny late payment or insufficient payment of a regulatory fee, not excused by bank error, shall subject the regulatee to a 25 percent penalty of the amount of the fee ... which was not paid in a timely manner."⁹

For FY 2011, the deadline for paying regulatory fees was September 16, 2011,¹⁰ and for FY 2010, payment was due no later than August 31, 2010.¹¹ Licensee failed to meet its obligations by not paying in full the FY 2010 regulatory fee and by failing to make any payment on the FY 2011 regulatory fee. Licensee's assertions that "[w]e did not realize that we need to go in FCC database . . . [w]e were under the impression that FCC always send letters regarding these issues,"¹² are not legal grounds or clear mitigating circumstances to waive collection of the penalties. The Commission has repeatedly held that "[l]icensees are expected to know and comply with the Commission's rules and regulations and will not be excused for violations thereof, absent clear mitigating circumstances."¹³

For example, on May 14, 2009, the Commission proposed to mandate electronic filing of regulatory fee information through the agency's Fee Filer system.¹⁴ The Commission explained

³ *Id.*

⁴ 47 U.S.C. § 159(c)(1); 47 C.F.R. § 1.1164(c).

⁵ 31 U.S.C. § 3717(e); 31 C.F.R. § 901.9; 47 C.F.R. § 1.1940.

⁶ 47 C.F.R. § 1.1910.

⁷ 47 U.S.C. § 159(a)(1); 47 C.F.R. § 1.1151.

⁸ 47 U.S.C. § 159(c)(1); 47 C.F.R. § 1.1164.

⁹ 47 C.F.R. § 1.1164.

¹⁰ See FY 2011 Regulatory Fees Due No Later Than September 14, 2011, Eastern Time, *Public Notice*, DA 11-1420 (Aug. 17, 2011); FY 2011 Regulatory Fee Deadline Is Extended To 11:59 PM ET, September 16, 2011, *Public Notice*, DA 11-1559 (Sep. 15, 2011).

¹¹ See FY 2010 Regulatory Fees Due No Later Than August 31, 2010, Eastern Time, *Public Notice*, DA 10-1451 (Aug. 9, 2010).

¹² *Request*.

¹³ See *Sitka Broadcasting Co., Inc.*, 70 FCC 2d 2375, 2378 (1979), citing *Lowndes County Broadcasting Co.*, 23 FCC 2d 91 (1970) and *Emporium Broadcasting Co.*, 23 FCC 2d 868 (1970); see also *NextGen Telephone* (OMD, Apr. 22, 2010); *Istel, Inc.* (OMD, Apr. 22, 2010).

¹⁴ *Assessment and Collection of Regulatory Fees for Fiscal Year 2009, Notice of Proposed Rulemaking and Order*, 24 FCC Rcd 5966, 5972 ¶ 16 (2009).

that, “[c]onsistent with [its] proposal to require mandatory use of Fee Filer ..., pre-bill information would be loaded into Fee Filer for viewing, but would not be mailed directly to the licensee via surface mail.”¹⁵ On July 31, 2009, the Commission released its order adopting these proposals,¹⁶ and notifying regulatees that “because all pre-bills will be loaded into Fee Filer, once Fee Filer becomes operational, this will be the signal by which licensees can view their pre-bill information online.”¹⁷ Thereafter, the Commission issued a public notice informing regulatees that use of Fee Filer was mandatory in FY 2009 and that “regulatory fee bills will no longer be mailed to the regulatee, but can be viewed by logging on the Fee Filer.”¹⁸ Finally, on September 2, 2009, the Commission released a third public notice that **“HARDCOPY BILLS WILL NO LONGER BE MAILED BY THE FCC.”**¹⁹

Similarly, in 2010, the Commission’s final order on the FY 2010 regulatory fees reaffirmed that regulatees should “check[] the Commission’s website periodically beginning in July” in order to “ascertain the fee due date, and receive instructions on how to access Fee Filer, view their bill, and make a fee payment.”²⁰ This notification was part of the Commission’s increased effort to notify licensees that hardcopy bills will no longer be mailed.²¹

Every licensee is obliged to make the fee payment by the deadline. In such cases, neither the statute nor the Commission’s regulations contemplates a waiver of or reduction in the late payment penalty based on the amount of time after the deadline within which the regulatee satisfies its payment obligations; indeed, the penalty for late payment applies even to situations where the deadline is missed by a short period of time.²² Further, although the Commission has waived late fees on a showing of good cause, neither the statute nor the Commission’s regulations contemplates a waiver of or reduction in the late payment penalty based on the amount of time after the deadline within which the regulatee made payment. As we explained, the penalty required by 47 U.S.C. § 159(c)(1) is not limited to situations where the failure to pay was knowing or willful. If it is to be waived, it is “only in the most extraordinary circumstances,”²³ which are not described in Licensee’s situation.

Payment of Signal Telecommunication’s FY 2010 and FY 2011 regulatory fees are now due. The \$10,911.92 regulatory fees and accrued charges must be received, together with a Form 159 (copy enclosed), within 30 days of the date of this letter. Moreover, as noted above, because Licensee is delinquent in paying the fee, until the full amount due is paid, we are

¹⁵ *Id.* at 5973 ¶ 20.

¹⁶ *Assessment and Collection of Regulatory Fees for Fiscal Year 2009, Report and Order*, 24 FCC Rcd 10301, 10307-09 ¶¶ 18-27 (2009) (*FY 2009 Regulatory Fees NPRM*).

¹⁷ *Id.* at 10309 ¶ 26.

¹⁸ *Fee Filer Mandatory for FY 2009 Regulatory Fees, Public Notice*, 24 FCC Rcd 10893 (Aug. 21, 2009).

¹⁹ *Payment Methods and Procedures for Fiscal Year 2009 Regulatory Fees, Public Notice*, 24 FCC Rcd 11513, 11514 (2009) (emphasis in original).

²⁰ *Assessment and Collection of Regulatory Fees for Fiscal Year 2010, Report and Order*, 25 FCC Rcd 9278, 9291 ¶ 37 (2010).

²¹ *See Assessment and Collection of Regulatory Fees for Fiscal Year 2010, Notice of Proposed Rulemaking*, 25 FCC Rcd 3918, 3923 ¶ 12 (2010).

²² *See XO Communications, LLC* (OMD, Nov. 10, 2010).

²³ *McLeodUSA Telecommunications Services, Inc., Memorandum Opinion and Order*, 19 FCC Rcd 6587, 6589 (2004) (denying the request for waiver of 25 percent penalty).

required to withhold action on any application filed or pending by Licensee.²⁴ If full payment of that amount is not received by that date, additional interest, penalties, and charges required by 31 U.S.C. § 3717(e) will accrue from the date of this letter. Furthermore, under the law,²⁵ the Commission will initiate collection proceedings against Licensee. If you have any questions concerning this letter, please contact the Revenue and Receivables Operations Group at (202) 418-1995.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mark Stephens', with a long horizontal flourish extending to the right.

Mark Stephens
Chief Financial Officer

Enclosure

²⁴ 47 C.F.R. § 1.1910.

²⁵ See 47 C.F.R. § 1.1901, *et seq.*

Stephen French

From: sadri.altinok@signal-telecom.com
Sent: Monday, March 12, 2012 12:41 PM
To: ARINQUIRIES
Subject: 2011 Regulatory fees FRN:0012194122

Hello

I received a letter last week regarding the 2011 regulatory fees in the amount of \$7992 plus some penalty and interest due to unpaid balance, totaling \$10317.72

We did not realize that we need to go in FCC database and find out what these fees are and pay. We were under the impression that FCC always send letters regarding these issues.

We apologize for this misunderstanding and are asking for removal of the penalties and interest charges for 2011 filing.

I logged in the fc.gov/fees and wanted to make a payment. However the amount was set at \$10,317.72. There fore I did not make any payment.

We can assure you that this is simply a miunderstanding on our part. We understand we need to pay regulatory fees every year.

Hope to hear from you soon.

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Best Regards

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